

EXHIBIT 2

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2 UNITED STATES DISTRICT COURT
3 SOUTHERN DISTRICT OF NEW YORK

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5 ALPHA CAPITAL ANSTALT,

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Plaintiff,

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V. Case No. 19-cv-09270 (DLC)

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INTELLIPHARMACEUTICS

9 INTERNATIONAL INC., ISA ODIDI,

10 AMINA ODIDI, and ANDREW PATIENT,

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Defendants.

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17 REMOTE DEPOSITION OF ARI KLUGER

18 (Via Zoom)

19 November 2, 2020

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Reported by:

Anita M. Trombetta, RMR, CRR

JOB NO. 185982

<div>Page 2</div> <div>1</div> <div>2</div> <div>3</div> <div>4</div> <div>5 November 2, 2020</div> <div>6 10:00 A.M.</div> <div>7</div> <div>8</div> <div>9 Remote Deposition of Ari Kluger, via</div> <div>10 Zoom, before Anita M. Trombetta, an RMR,</div> <div>11 CRR, and a Notary Public of the State of</div> <div>12 New York.</div> <div>13</div> <div>14</div> <div>15</div> <div>16</div> <div>17</div> <div>18</div> <div>19</div> <div>20</div> <div>21</div> <div>22</div> <div>23</div> <div>24</div> <div>25</div>	<div>Page 3</div> <div>1</div> <div>2 A P P E A R A N C E S:</div> <div>3</div> <div>4 HOFFNER</div> <div>5 Attorneys for Plaintiff and the Witness</div> <div>6 800 3rd Avenue</div> <div>7 New York, New York 10022</div> <div>8 BY: DAVID HOFFNER, ESQ.</div> <div>9</div> <div>10</div> <div>11 WOLLMUTH MAHER & DEUTSCH</div> <div>12 Attorneys for Defendants</div> <div>13 500 Fifth Avenue</div> <div>14 New York, New York 10110</div> <div>15 BY: STEVEN FITZGERALD, ESQ.</div> <div>16 CHLOE BOOTH, ESQ.</div> <div>17</div> <div>18</div> <div>19</div> <div>20</div> <div>21</div> <div>22</div> <div>23</div> <div>24</div> <div>25</div>
<div>Page 4</div> <div>1</div> <div>2 IT IS HEREBY STIPULATED AND AGREED</div> <div>3 by and between the attorneys for the</div> <div>4 respective parties herein, that filing and</div> <div>5 sealing be and the same are hereby waived.</div> <div>6 IT IS FURTHER STIPULATED AND AGREED</div> <div>7 that all objections, except as to the form</div> <div>8 of the question, shall be reserved to the</div> <div>9 time of the trial.</div> <div>10 IT IS FURTHER STIPULATED AND AGREED</div> <div>11 that the within deposition may be sworn to</div> <div>12 and signed before any officer authorized</div> <div>13 to administer an oath, with the same</div> <div>14 force and effect as if signed and sworn</div> <div>15 to before the Court.</div> <div>16</div> <div>17</div> <div>18</div> <div>19</div> <div>20 - oOo -</div> <div>21</div> <div>22</div> <div>23</div> <div>24</div> <div>25</div>	<div>Page 5</div> <div>1 A. KLUGER</div> <div>2 A R I K L U G E R,</div> <div>3 called as a witness, having been duly</div> <div>4 affirmed by a Notary Public, was examined</div> <div>5 and testified as follows:</div> <div>6 EXAMINATION BY:</div> <div>7 MR. FITZGERALD:</div> <div>8 Q. I'll ask. Mr. Kluger, please state</div> <div>9 your name and your address for the record.</div> <div>10 A. Ari Kluger, 23 Tammy Road, Spring</div> <div>11 Valley, New York 10977. I'm at my home. Do you</div> <div>12 want my business?</div> <div>13 Q. No, that's perfectly fine.</div> <div>14 Who is your current employer,</div> <div>15 Mr. Kluger?</div> <div>16 A. LH Financial.</div> <div>17 Q. And what is your role at LH</div> <div>18 Financial?</div> <div>19 A. I -- I am a -- involved in diligence</div> <div>20 with companies that come through our offices as</div> <div>21 potential investments.</div> <div>22 Q. Have you ever been deposed before,</div> <div>23 Mr. Kluger?</div> <div>24 A. Once, a long time ago.</div> <div>25 Q. And do you remember what matter that</div>

<p>Page 6</p> <p>1 A. KLUGER</p> <p>2 was?</p> <p>3 A. I believe it had to do with a minor</p> <p>4 car accident. So --</p> <p>5 Q. Sorry, I didn't mean to cut you off.</p> <p>6 So it wasn't in connection with your</p> <p>7 employment?</p> <p>8 A. No.</p> <p>9 Q. How long have you been employed by</p> <p>10 LH Financial?</p> <p>11 A. About 20 years.</p> <p>12 Q. What's your job title, if you know?</p> <p>13 A. I don't officially have a job title.</p> <p>14 Analyst, maybe possibly, but it's not an</p> <p>15 official title.</p> <p>16 Q. What did you do prior to joining LH</p> <p>17 Financial?</p> <p>18 A. This was pretty much my first job.</p> <p>19 Q. First job out of college or high</p> <p>20 school?</p> <p>21 A. College.</p> <p>22 Q. College. Where did you go to</p> <p>23 college?</p> <p>24 A. Brooklyn College.</p> <p>25 Q. And what did you study?</p>	<p>Page 7</p> <p>1 A. KLUGER</p> <p>2 A. Business.</p> <p>3 Q. Did you get a degree?</p> <p>4 A. Yes.</p> <p>5 Q. Was that degree in business?</p> <p>6 A. Business and finance.</p> <p>7 Q. And then how did you come about to</p> <p>8 be employed by LH Financial? Did you respond</p> <p>9 to an advertisement? Did you know somebody</p> <p>10 there?</p> <p>11 A. I knew someone there.</p> <p>12 Q. Who did you know at LH Financial?</p> <p>13 A. Solomon Obsfeld.</p> <p>14 Q. And is Mr. Obsfeld still with the</p> <p>15 company?</p> <p>16 A. He passed ten years ago.</p> <p>17 Q. Who do you report to at LH</p> <p>18 Financial? In other words, who is your boss?</p> <p>19 A. Arie Rabinowitz.</p> <p>20 Q. And does he have a title that you</p> <p>21 know of?</p> <p>22 A. No.</p> <p>23 Q. And what's his role generally?</p> <p>24 A. He has a similar role.</p> <p>25 Q. Now, are you familiar with the</p>
<p>Page 8</p> <p>1 A. KLUGER</p> <p>2 entity called Alpha Capital Anstalt?</p> <p>3 A. Yes.</p> <p>4 Q. What is Alpha Capital?</p> <p>5 MR. HOFFNER: Objection.</p> <p>6 A. I believe -- I'm sorry, you broke up</p> <p>7 a little. I didn't hear what you said. Did</p> <p>8 someone else say something?</p> <p>9 MR. HOFFNER: I objected to the</p> <p>10 question. I didn't mean to throw you off.</p> <p>11 You can respond.</p> <p>12 A. My understanding is that Alpha</p> <p>13 Capital is a -- some sort of corporation/trust.</p> <p>14 Q. Okay. And I should have explained</p> <p>15 at the beginning some of the procedure here.</p> <p>16 Sometimes Mr. Hoffner might object. Unless he</p> <p>17 directs you not to answer the question, you</p> <p>18 still need to answer my question to the best of</p> <p>19 your ability.</p> <p>20 Okay?</p> <p>21 A. Okay.</p> <p>22 Q. And your responses to my question</p> <p>23 today need to be verbal. You can't nod your</p> <p>24 head or shake your head in response. It needs</p> <p>25 to be a verbal response.</p>	<p>Page 9</p> <p>1 A. KLUGER</p> <p>2 Okay?</p> <p>3 A. Okay.</p> <p>4 Q. And is there anything that would</p> <p>5 affect your ability to testify truthfully and</p> <p>6 accurately today, that you're aware of?</p> <p>7 A. No.</p> <p>8 Q. You're not on any medications that</p> <p>9 could affect your ability to testify truthfully</p> <p>10 and accurately?</p> <p>11 A. No.</p> <p>12 Q. Is that right?</p> <p>13 And we're doing this by video,</p> <p>14 which -- I'm sure you've been on a million</p> <p>15 Zooms by now or similar conferences?</p> <p>16 A. Yes.</p> <p>17 Q. But you and I need to be careful not</p> <p>18 to talk over each other, otherwise Anita won't</p> <p>19 be able to write down what we say.</p> <p>20 Okay?</p> <p>21 A. Okay.</p> <p>22 Q. And we'll be going about an hour at</p> <p>23 a time. If for some reason you need to take a</p> <p>24 break before I stop, all I'm going to ask is</p> <p>25 that you finish the line of questions that's</p>

<p style="text-align: right;">Page 10</p> <p>1 A. KLUGER</p> <p>2 outstanding or finish the -- answer the</p> <p>3 question that's outstanding.</p> <p>4 Is that okay with you?</p> <p>5 A. Yes.</p> <p>6 Q. So your understanding is that Alpha</p> <p>7 is a trust of some type.</p> <p>8 Is it a client of LH Financial?</p> <p>9 A. No.</p> <p>10 Q. Is it an entity that LH Financial</p> <p>11 created?</p> <p>12 A. No.</p> <p>13 Q. What is the relationship, if any,</p> <p>14 between Alpha and LH Financial?</p> <p>15 A. LH Financial simply addresses due</p> <p>16 diligence and onshore matters on behalf of</p> <p>17 Alpha Capital.</p> <p>18 Q. So LH is a service provider for</p> <p>19 Alpha?</p> <p>20 A. Yes.</p> <p>21 Q. Does LH Financial provide services</p> <p>22 for any other entity?</p> <p>23 A. No.</p> <p>24 Q. Was LH Financial created to support</p> <p>25 Alpha Capital?</p>	<p style="text-align: right;">Page 11</p> <p>1 A. KLUGER</p> <p>2 MR. HOFFNER: If you know.</p> <p>3 A. I don't know.</p> <p>4 Q. Does Alpha Capital have investors?</p> <p>5 A. I don't know.</p> <p>6 MR. HOFFNER: Objection.</p> <p>7 BY MR. FITZGERALD:</p> <p>8 Q. Do you know what the purpose of</p> <p>9 Alpha Capital is, the business purpose?</p> <p>10 A. The business purpose? You're asking</p> <p>11 me -- are you asking me to guess what it is or</p> <p>12 do I know what it is?</p> <p>13 MR. HOFFNER: Please do not</p> <p>14 speculate. He's asking for your personal</p> <p>15 knowledge, sir.</p> <p>16 A. I'm not -- I don't know.</p> <p>17 Q. Is Alpha Capital an investor?</p> <p>18 A. Yes.</p> <p>19 Q. What type of investments does it</p> <p>20 invest in?</p> <p>21 A. From what I know, public securities</p> <p>22 and some private securities.</p> <p>23 Q. Okay. I take it those securities</p> <p>24 include equity securities?</p> <p>25 A. Yes.</p>
<p style="text-align: right;">Page 12</p> <p>1 A. KLUGER</p> <p>2 Q. Are they all U.S.-based investments</p> <p>3 or not?</p> <p>4 MR. HOFFNER: Objection.</p> <p>5 A. No, they're not. Only U.S. based</p> <p>6 investments.</p> <p>7 Q. Fair enough.</p> <p>8 Does Alpha Capital make investments</p> <p>9 in debt securities?</p> <p>10 A. Yes.</p> <p>11 Q. Does Alpha Capital specialize in any</p> <p>12 particular sectors, if you know?</p> <p>13 A. Not that I'm aware of.</p> <p>14 Q. So you testified earlier that you</p> <p>15 conduct due diligence of companies, and those</p> <p>16 are of companies that Alpha Capital is</p> <p>17 considering investing in; is that right?</p> <p>18 A. Yes.</p> <p>19 Q. Have you ever conducted due</p> <p>20 diligence of companies for any other entity</p> <p>21 other than Alpha Capital?</p> <p>22 A. No.</p> <p>23 Q. Does Alpha Capital regularly invest</p> <p>24 in pharmaceutical companies?</p> <p>25 A. Yes.</p>	<p style="text-align: right;">Page 13</p> <p>1 A. KLUGER</p> <p>2 MR. HOFFNER: Objection.</p> <p>3 BY MR. FITZGERALD:</p> <p>4 Q. Can you estimate what -- roughly,</p> <p>5 proportion of Alpha Capital's portfolio over</p> <p>6 the last five years has been invested in</p> <p>7 pharmaceutical companies?</p> <p>8 MR. HOFFNER: Objection. How are</p> <p>9 you characterizing that? What's the</p> <p>10 percentage based on?</p> <p>11 MR. FITZGERALD: Holdings.</p> <p>12 MR. HOFFNER: I mean, based on the</p> <p>13 dollar amount of an investment?</p> <p>14 MR. FITZGERALD: Yeah, dollar amount</p> <p>15 of holdings.</p> <p>16 MR. HOFFNER: If you know.</p> <p>17 A. It would be very difficult for me to</p> <p>18 answer that question without more information.</p> <p>19 Q. Okay. So it's certainly not</p> <p>20 100 percent, right?</p> <p>21 A. No, it's not 100 percent.</p> <p>22 Q. So is it fair to say that Alpha</p> <p>23 Capital invests in a diverse group of sectors?</p> <p>24 A. Yes.</p> <p>25 Q. Can you describe for me the top</p>

<p>Page 38</p> <p>1 A. KLUGER</p> <p>2 Capital's purchase of IPC securities and the</p> <p>3 offering?</p> <p>4 A. You mean LH Financial's due</p> <p>5 diligence for Alpha Capital; is that what you</p> <p>6 mean?</p> <p>7 Q. Yes.</p> <p>8 A. Yes.</p> <p>9 Q. So what did LH Financial do?</p> <p>10 A. Reviewed the public filings,</p> <p>11 reviewed the company presentation, met with the</p> <p>12 CFO. That's about it, that I can remember.</p> <p>13 Q. Now, can I show you a similar topic</p> <p>14 for Alpha Capital. Let's look at that. Go</p> <p>15 back to Tab 1. Sorry we have to go through</p> <p>16 this, but --</p> <p>17 A. Okay.</p> <p>18 Q. -- we might as well be very careful</p> <p>19 about it. So if you go to the same topic 6 it</p> <p>20 says, "Any due diligence conducted concerning</p> <p>21 your purchase of the IPCI securities in the</p> <p>22 offering."</p> <p>23 Do you see that?</p> <p>24 A. Yeah.</p> <p>25 Q. What due diligence did Alpha Capital</p>	<p>Page 39</p> <p>1 A. KLUGER</p> <p>2 do before it purchased IPCI securities in the</p> <p>3 offering?</p> <p>4 A. I don't know.</p> <p>5 Q. So you're not prepared to answer</p> <p>6 that question?</p> <p>7 A. I don't know the answer to that</p> <p>8 question.</p> <p>9 Q. Normally when Alpha Capital</p> <p>10 purchases securities, are they doing it at the</p> <p>11 recommendation of LH Financial?</p> <p>12 A. Yes.</p> <p>13 Q. But you don't know whether they do</p> <p>14 any additional due diligence on their end; is</p> <p>15 that right?</p> <p>16 A. I don't know.</p> <p>17 Q. And you're not prepared to testify</p> <p>18 about that as a 30(b)(6) witness?</p> <p>19 A. I've testified that I don't know.</p> <p>20 Q. I understand. Is that Alpha</p> <p>21 Capital's position that it doesn't know whether</p> <p>22 it did due diligence?</p> <p>23 MR. HOFFNER: Objection. Why don't</p> <p>24 we go off the record for a minute, please.</p> <p>25 We have to have a discussion about this.</p>
<p>Page 40</p> <p>1 A. KLUGER</p> <p>2 (An off-the-record discussion was</p> <p>3 held at this time.)</p> <p>4 MR. FITZGERALD: You can put it on</p> <p>5 the record if you're going to do this in</p> <p>6 the presence of the witness. If the</p> <p>7 witness wants to go on --</p> <p>8 THE WITNESS: Do you want me to step</p> <p>9 away?</p> <p>10 MR. FITZGERALD: Yeah, step away.</p> <p>11 Take a five-minute break.</p> <p>12 MR. HOFFNER: I'm happy to do this</p> <p>13 on the record, but quite frankly --</p> <p>14 (An off-the-record discussion was</p> <p>15 held at this time.)</p> <p>16 MR. FITZGERALD: Sorry about that.</p> <p>17 BY MR. FITZGERALD:</p> <p>18 Q. Sorry about that, Mr. Kluger. Your</p> <p>19 counsel and I had a discussion off the record.</p> <p>20 And we came to an agreement that Alpha Capital</p> <p>21 is not going to designate you as its 30(b)(6)</p> <p>22 witness for this deposition.</p> <p>23 A. Okay.</p> <p>24 Q. You are just going to proceed and</p> <p>25 testify in your capacity as an individual</p>	<p>Page 41</p> <p>1 A. KLUGER</p> <p>2 witness and as the corporate representative of</p> <p>3 LH Financial Services.</p> <p>4 Okay?</p> <p>5 A. Okay. Agreed.</p> <p>6 Q. If you have any questions about what</p> <p>7 that means, you can ask me to clarify or you</p> <p>8 can talk to your counsel at a break, okay?</p> <p>9 A. Okay.</p> <p>10 Q. Thank you.</p> <p>11 Let's look at another exhibit.</p> <p>12 MR. FITZGERALD: Chloe, can you pull</p> <p>13 up what you have marked as, I guess it's</p> <p>14 Tab 7, but I assume it's Exhibit 4.</p> <p>15 MS. BOOTH: All right. It has been</p> <p>16 moved over.</p> <p>17 (Kluger Exhibit 4, E-mail Chain,</p> <p>18 marked for identification.)</p> <p>19 MR. FITZGERALD: So if you refresh,</p> <p>20 we should be able to see it.</p> <p>21 BY MR. FITZGERALD:</p> <p>22 Q. Do you see Exhibit 4 to your</p> <p>23 deposition, Mr. Kluger?</p> <p>24 A. Yes.</p> <p>25 Q. And if you scroll through it, you'll</p>

<p style="text-align: right;">Page 42</p> <p>1 A. KLUGER</p> <p>2 see the cover e-mail is an exchange between you</p> <p>3 and Yosef, and you guys are forwarding -- Yosef</p> <p>4 forwarded something to you.</p> <p>5 Do you see that?</p> <p>6 A. Yes.</p> <p>7 Q. The subject is IPCI report, right?</p> <p>8 A. Yes.</p> <p>9 Q. Do you recognize the document that</p> <p>10 he forwarded to you?</p> <p>11 A. Yes.</p> <p>12 Q. What is it?</p> <p>13 A. It's an internal report describing</p> <p>14 the merits and -- you know, of the company.</p> <p>15 Q. Who prepared it?</p> <p>16 A. Yosef.</p> <p>17 Q. Did you review it when he sent it to</p> <p>18 you?</p> <p>19 A. Yes.</p> <p>20 Q. Did you consider this in -- well,</p> <p>21 ultimately LH Financial made a recommendation</p> <p>22 to Alpha Capital to buy securities in the</p> <p>23 offering; is that right?</p> <p>24 A. Yes.</p> <p>25 Q. And did you review this memo before</p>	<p style="text-align: right;">Page 43</p> <p>1 A. KLUGER</p> <p>2 that recommendation was made?</p> <p>3 A. Yes.</p> <p>4 Q. Who made the recommendation to</p> <p>5 purchase?</p> <p>6 A. Who made the recommendation?</p> <p>7 MR. HOFFNER: Objection. Asked and</p> <p>8 answered.</p> <p>9 BY MR. FITZGERALD:</p> <p>10 Q. Yeah. So in other words, who at LH</p> <p>11 Financial made the recommendation to purchase</p> <p>12 securities in the offering?</p> <p>13 MR. HOFFNER: Objection.</p> <p>14 A. I did.</p> <p>15 Q. Do you remember how you conveyed</p> <p>16 that recommendation?</p> <p>17 A. I sent this information to</p> <p>18 Mr. Rabinowitz and he forwarded it on to Alpha.</p> <p>19 Q. And when you say "this information,"</p> <p>20 you mean the information that is in the memo at</p> <p>21 Exhibit 4?</p> <p>22 A. Yes.</p> <p>23 Q. So can you explain to me why you</p> <p>24 thought -- strike that.</p> <p>25 Can you explain to me why you</p>
<p style="text-align: right;">Page 44</p> <p>1 A. KLUGER</p> <p>2 recommended that Alpha Capital purchase</p> <p>3 Intellipharmaeconomics securities in the</p> <p>4 offering? And feel free to reference the memo</p> <p>5 if that helps you refresh your recollection.</p> <p>6 MR. HOFFNER: Do you want to read</p> <p>7 the memo again? Please do if that's</p> <p>8 helpful.</p> <p>9 BY MR. FITZGERALD:</p> <p>10 Q. Yes. I'm not limiting your review.</p> <p>11 A. I made the recommendation based on</p> <p>12 review of the clinical part of the studies that</p> <p>13 they were working on and the compelling</p> <p>14 valuation of the stock.</p> <p>15 Q. Okay.</p> <p>16 A. As well as the management team with</p> <p>17 their extensive experience. That's pretty much</p> <p>18 it.</p> <p>19 Q. And does this memo contain the</p> <p>20 information that you used to develop your</p> <p>21 recommendation or was there other information</p> <p>22 that you relied upon?</p> <p>23 MR. HOFFNER: Objection. He didn't</p> <p>24 draft the memo. He stated already.</p> <p>25 BY MR. FITZGERALD:</p>	<p style="text-align: right;">Page 45</p> <p>1 A. KLUGER</p> <p>2 Q. You can answer.</p> <p>3 A. Please rephrase the question.</p> <p>4 Q. Sure. So does this memorandum</p> <p>5 contain the facts that you thought supported a</p> <p>6 recommendation to purchase Intellipharmaeconomics</p> <p>7 securities or was there some other body of</p> <p>8 information that you thought supported the</p> <p>9 purchase?</p> <p>10 A. This summarizes it.</p> <p>11 Q. Fair enough. So if you look at the</p> <p>12 merits section, it's on the page that ends in</p> <p>13 178.</p> <p>14 Do you see that?</p> <p>15 A. Yes.</p> <p>16 Q. You write: "The clinical part of</p> <p>17 studies to provide proof of abuse-deterrent</p> <p>18 claims via intranasal and oral administration</p> <p>19 has been completed and the statistical analysis</p> <p>20 is currently underway."</p> <p>21 So a layperson that doesn't study</p> <p>22 pharmaceutical companies, can you explain what</p> <p>23 that means?</p> <p>24 MR. HOFFNER: Objection. He's not</p> <p>25 the author of this report.</p>

<p style="text-align: right;">Page 46</p> <p>1 A. KLUGER</p> <p>2 A. Do you still want me to answer this?</p> <p>3 Q. You can answer. The answer might</p> <p>4 be --</p> <p>5 A. Do you want -- do you want me to</p> <p>6 just explain what this means or --</p> <p>7 Q. Yeah, that would be helpful?</p> <p>8 A. It basically says that the clinical</p> <p>9 studies were underway and the NDA, which is the</p> <p>10 next phase in forward -- you know, moving</p> <p>11 forward on clinical studies is expected to</p> <p>12 be submitted -- actually resubmitted in this</p> <p>13 case -- and that's -- that's a milestone. It's</p> <p>14 an important milestone in a drug's life in how</p> <p>15 it's brought to market.</p> <p>16 Q. So there was an important drug</p> <p>17 application before the FDA; is that right?</p> <p>18 A. That was what was expected, yeah.</p> <p>19 Q. And do you know what drug it was?</p> <p>20 A. I don't recall.</p> <p>21 Q. Was it related to pain relief?</p> <p>22 A. I believe so.</p> <p>23 Q. Was it a safe version of something</p> <p>24 like oxycodone or something like that?</p> <p>25 A. Yes, I believe so.</p>	<p style="text-align: right;">Page 47</p> <p>1 A. KLUGER</p> <p>2 Q. And then what does "NASDAQ listed</p> <p>3 with a compelling valuation" mean?</p> <p>4 MR. HOFFNER: Objection.</p> <p>5 A. It means that it is listed on</p> <p>6 NASDAQ, some of the securities that we purchase</p> <p>7 are not listed on NASDAQ. They're listed on</p> <p>8 the bulletin boards. NASDAQ -- the fact that</p> <p>9 it's listed on NASDAQ is a merit.</p> <p>10 And compelling valuation, I think</p> <p>11 you understand what that means.</p> <p>12 Q. Now, the next bullet says, "Strong</p> <p>13 management team with extensive experience in</p> <p>14 the pharmaceutical industry."</p> <p>15 And that included the company's COO</p> <p>16 and CEO, the Odidis, right?</p> <p>17 A. It includes the entire management</p> <p>18 team.</p> <p>19 Q. And who is that?</p> <p>20 A. The Odidis and the CFO.</p> <p>21 Q. The next bullet says: "Founders</p> <p>22 have continuously funded the company."</p> <p>23 Do you see that?</p> <p>24 A. Yeah.</p> <p>25 Q. Who does that refer to?</p>
<p style="text-align: right;">Page 48</p> <p>1 A. KLUGER</p> <p>2 A. The Odidis.</p> <p>3 MR. HOFFNER: I just said, if you</p> <p>4 know, sorry.</p> <p>5 BY MR. FITZGERALD:</p> <p>6 Q. Now, the Odidis, they were part of</p> <p>7 the management team that was in charge of</p> <p>8 developing drugs and getting them approved,</p> <p>9 right?</p> <p>10 A. Yes.</p> <p>11 Q. So what was the importance of the</p> <p>12 CFO's role, if you know, of the company?</p> <p>13 A. Manages the finances of company.</p> <p>14 MR. HOFFNER: Objection.</p> <p>15 A. That's probably one of the most</p> <p>16 important parts when you're dealing with a</p> <p>17 drug.</p> <p>18 Q. Why?</p> <p>19 A. Because without proper finances you</p> <p>20 can't continue to develop the drugs.</p> <p>21 Q. Okay. Did -- so did Andrew Patient</p> <p>22 bring any expertise relating to drug</p> <p>23 formulation to the company?</p> <p>24 A. I don't remember. He was quite --</p> <p>25 he was knowledgeable about the drugs though.</p>	<p style="text-align: right;">Page 49</p> <p>1 A. KLUGER</p> <p>2 Q. What made you think that?</p> <p>3 A. I discussed it with him at length.</p> <p>4 Q. How long did you discuss it with</p> <p>5 him?</p> <p>6 A. Probably for an hour.</p> <p>7 Q. And that was during the road show</p> <p>8 meeting that you mentioned earlier?</p> <p>9 A. Yes.</p> <p>10 Q. So let's look at the risks that are</p> <p>11 identified here.</p> <p>12 So one risk was declining revenue,</p> <p>13 right?</p> <p>14 A. Yes.</p> <p>15 Q. What is delisting risk?</p> <p>16 A. Well, one of the merits was the fact</p> <p>17 that it was listed on NASDAQ. If it drops</p> <p>18 below a dollar, there is a risk that it could</p> <p>19 get delisted from NASDAQ and traded on the</p> <p>20 bulletin boards.</p> <p>21 Q. Why is that a merit? Is it a merit</p> <p>22 to be listed on NASDAQ because it's more</p> <p>23 liquid?</p> <p>24 A. That's one of the merits.</p> <p>25 Q. Now, it says, "potential dilution</p>

<p>Page 54</p> <p>1 A. KLUGER</p> <p>2 MS. BOOTH: The document has been</p> <p>3 added.</p> <p>4 MR. FITZGERALD: Great.</p> <p>5 BY MR. FITZGERALD:</p> <p>6 Q. If you refresh, you should see it,</p> <p>7 it's Exhibit 5 to your deposition, Mr. Kluger.</p> <p>8 And it's an e-mail chain that the originating</p> <p>9 e-mail is from Noam Rubinstein to a list</p> <p>10 including yourself.</p> <p>11 Do you see that?</p> <p>12 A. Yes.</p> <p>13 Q. And it's -- the subject line is:</p> <p>14 Intellipharmaeutics International IPCI</p> <p>15 registered public offering.</p> <p>16 And in the e-mail -- it's not</p> <p>17 attached to this version of the e-mail. It</p> <p>18 says: "Attached please find updated</p> <p>19 preliminary prospectus for your review."</p> <p>20 Do you see that?</p> <p>21 A. Yeah.</p> <p>22 Q. And then he -- did you ever review</p> <p>23 the preliminary prospectus. Do you recall</p> <p>24 reviewing it?</p> <p>25 A. I don't recall.</p>	<p>Page 55</p> <p>1 A. KLUGER</p> <p>2 Q. Do you see the information in</p> <p>3 Mr. Rubinstein's e-mail?</p> <p>4 A. Yeah.</p> <p>5 Q. Do you recall reviewing this e-mail?</p> <p>6 A. Yeah.</p> <p>7 Q. You do?</p> <p>8 A. Just -- yeah.</p> <p>9 Q. Okay. I only asked because you</p> <p>10 broke up a little and I couldn't hear you that</p> <p>11 well.</p> <p>12 Now, he writes in the second</p> <p>13 paragraph of his e-mail to you: "We are</p> <p>14 targeting to price tonight subject to S-1</p> <p>15 effectiveness. Please confirm your indication</p> <p>16 of interest for \$2 million in the offering."</p> <p>17 Do you see that?</p> <p>18 A. Yes.</p> <p>19 Q. And then you write : "Confirmed."</p> <p>20 Do you see that?</p> <p>21 A. Yes.</p> <p>22 Q. So was this the communication where</p> <p>23 you confirmed that LH Financial would purchase</p> <p>24 \$2 million of securities in the offering? Is</p> <p>25 this the communication with the underwriter in</p>
<p>Page 56</p> <p>1 A. KLUGER</p> <p>2 which you did that?</p> <p>3 A. Yes.</p> <p>4 MR. HOFFNER: Objection. LH wasn't</p> <p>5 purchasing any, Steven. I don't know if</p> <p>6 you understand that.</p> <p>7 MR. FITZGERALD: I think I said on</p> <p>8 behalf of Alpha.</p> <p>9 MR. HOFFNER: You didn't, but that's</p> <p>10 fine.</p> <p>11 BY MR. FITZGERALD:</p> <p>12 Q. All right.</p> <p>13 So assuming it was effective, LH was</p> <p>14 committed to purchase up to \$2 million of</p> <p>15 securities in the offering on behalf of Alpha</p> <p>16 Capital as of October 11, 2018; is that right?</p> <p>17 A. At the time of that e-mail, yeah.</p> <p>18 Q. Got it. So then the next exhibit</p> <p>19 I'd like to show you is --</p> <p>20 MR. FITZGERALD: Chloe, it's Tab 8.</p> <p>21 (Kluger Exhibit 7, E-mail Chain,</p> <p>22 marked for identification.)</p> <p>23 MS. BOOTH: The document has been</p> <p>24 uploaded.</p> <p>25 MR. FITZGERALD: Great.</p>	<p>Page 57</p> <p>1 A. KLUGER</p> <p>2 BY MR. FITZGERALD:</p> <p>3 Q. So if you refresh, you'll see</p> <p>4 Exhibit 7 to your deposition is an e-mail</p> <p>5 chain. So if you go to the second page of</p> <p>6 Exhibit 7, there is an e-mail from you to a</p> <p>7 number of people. Maybe I'll ask you to walk</p> <p>8 through who they are. So if you see -- you</p> <p>9 sent it to an address: info@alphacapital?</p> <p>10 MR. HOFFNER: Steven, it's</p> <p>11 Mr. Rabinowitz's e-mail.</p> <p>12 MR. FITZGERALD: Oh, I'm sorry. I'm</p> <p>13 sorry about that. I just looked at Ari and</p> <p>14 stopped there. Sorry about that.</p> <p>15 BY MR. FITZGERALD:</p> <p>16 Q. So Mr. Rabinowitz sent an e-mail</p> <p>17 to -- all right. You weren't copied on this.</p> <p>18 So Mr. Rabinowitz took the recommendation to</p> <p>19 Alpha Capital.</p> <p>20 Is that consistent with your</p> <p>21 understanding?</p> <p>22 A. Yes.</p> <p>23 Q. And he took that recommendation to</p> <p>24 them on October 11th, right?</p> <p>25 A. Yeah.</p>

<p>Page 58</p> <p>1 A. KLUGER</p> <p>2 Q. And got approval the next day on</p> <p>3 October 12th, right?</p> <p>4 A. Yeah.</p> <p>5 Q. Okay. And in Mr. Rabinowitz's</p> <p>6 e-mails, he writes: "Please see attached new</p> <p>7 deal. This is a shelf being done at really low</p> <p>8 valuation. We are recommending \$2 million."</p> <p>9 Do you see that?</p> <p>10 A. Yes.</p> <p>11 Q. So now I'm going to ask you, in your</p> <p>12 capacity as a corporate representative of LH</p> <p>13 Financial, did you convey any other information</p> <p>14 to Alpha Capital concerning your recommendation</p> <p>15 to purchase a new offering?</p> <p>16 A. No.</p> <p>17 MR. HOFFNER: Just to be clear,</p> <p>18 there is an attachment to this e-mail</p> <p>19 that's not included as part of the exhibit,</p> <p>20 correct?</p> <p>21 THE WITNESS: Yeah.</p> <p>22 MR. FITZGERALD: Where do you see</p> <p>23 that?</p> <p>24 MR. HOFFNER: Well, it says, "Please</p> <p>25 see attached new deal." There is nothing</p>	<p>Page 59</p> <p>1 A. KLUGER</p> <p>2 attached to this exhibit.</p> <p>3 BY MR. FITZGERALD:</p> <p>4 Q. Do you know what that attachment</p> <p>5 would be, Mr. Kluger?</p> <p>6 A. I don't know for certain, but I</p> <p>7 presume it's that memo that I sent.</p> <p>8 Q. The memo that we discussed earlier?</p> <p>9 A. Yes.</p> <p>10 Q. Okay. Got it.</p> <p>11 So aside from the memo and this</p> <p>12 e-mail, as the corporate representative of LH</p> <p>13 Financials were there -- LH Financial, were</p> <p>14 there any other discussions with individuals</p> <p>15 from Alpha Capital concerning LH's</p> <p>16 recommendation to purchase the offering?</p> <p>17 MR. HOFFNER: Objection.</p> <p>18 A. Not that I'm aware of.</p> <p>19 Q. Got it. Thank you. We can set that</p> <p>20 one aside.</p> <p>21 One of the topics -- and we can pull</p> <p>22 it up in the deposition notice of LH Financial.</p> <p>23 Your discussions and communications concerning</p> <p>24 the offering and the purchase of IPCI</p> <p>25 securities, IPCI, or Andrew Patient with Alpha</p>
<p>Page 60</p> <p>1 A. KLUGER</p> <p>2 Capital.</p> <p>3 Do you recall having any discussions</p> <p>4 with -- strike that.</p> <p>5 In your capacity as a corporate</p> <p>6 representative of LH Financial, did LH</p> <p>7 Financial have any discussions concerning</p> <p>8 Andrew Patient, other than the memorandum that</p> <p>9 you believe you forwarded -- or that</p> <p>10 Mr. Rabinowitz -- you believe Mr. Rabinowitz</p> <p>11 forwarded and with Alpha Capital?</p> <p>12 A. No.</p> <p>13 (Kluger Exhibit 9, Company</p> <p>14 Presentation, marked for identification.)</p> <p>15 MR. FITZGERALD: Let's mark what I</p> <p>16 have as Tab 3, Chloe.</p> <p>17 MS. BOOTH: Document has been</p> <p>18 uploaded.</p> <p>19 MR. FITZGERALD: Okay.</p> <p>20 BY MR. FITZGERALD:</p> <p>21 Q. So if we refresh it, we're going to</p> <p>22 see Exhibit 8.</p> <p>23 MS. BOOTH: It's Exhibit 9,</p> <p>24 actually.</p> <p>25 MR. FITZGERALD: Sorry. We've taken</p>	<p>Page 61</p> <p>1 A. KLUGER</p> <p>2 it out of order.</p> <p>3 BY MR. FITZGERALD:</p> <p>4 Q. Do you recognize Exhibit 9?</p> <p>5 A. It looks to me like the company</p> <p>6 presentation.</p> <p>7 Q. And are you just basing that on, you</p> <p>8 know, your familiarity with these types of</p> <p>9 presentations or do you have an actual</p> <p>10 recollection of this being used during the</p> <p>11 meeting that you had with IPCI?</p> <p>12 A. I'm going based off the way typical</p> <p>13 presentations look, not off an actual</p> <p>14 recollection.</p> <p>15 Q. Now, you testified earlier that</p> <p>16 there was a meeting, Mr. Patient attended it,</p> <p>17 right?</p> <p>18 A. Yes.</p> <p>19 Q. And do you recall when you set that</p> <p>20 meeting up, did you believe that Dr. Isa Odidi</p> <p>21 would also attend?</p> <p>22 A. Yes.</p> <p>23 Q. And tell me what you recall about</p> <p>24 that meeting?</p> <p>25 A. The meeting with Mr. Patient?</p>

<p style="text-align: right;">Page 62</p> <p>1 A. KLUGER</p> <p>2 Q. Yeah, the road show meeting.</p> <p>3 A. We discussed the company. We</p> <p>4 discussed its initiatives, what it was going to</p> <p>5 be doing with the money, how we would be</p> <p>6 spending the money, and some details around the</p> <p>7 drugs, an overall -- it was an instruction and</p> <p>8 an overall review of the company and its</p> <p>9 going-forward initiatives.</p> <p>10 MR. HOFFNER: There was some</p> <p>11 additional voices in the background. I</p> <p>12 don't know where that's coming from, but</p> <p>13 can someone address that?</p> <p>14 THE WITNESS: I think it's probably</p> <p>15 from me. Hang on a second.</p> <p>16 MR. HOFFNER: Okay.</p> <p>17 (An off-the-record discussion was</p> <p>18 held at this time.)</p> <p>19 BY MR. FITZGERALD:</p> <p>20 Q. So earlier you mentioned that the</p> <p>21 meeting was in your office?</p> <p>22 A. Yes.</p> <p>23 Q. It was in a conference room or in</p> <p>24 your actual workspace?</p> <p>25 A. Conference room.</p>	<p style="text-align: right;">Page 63</p> <p>1 A. KLUGER</p> <p>2 Q. And who attended?</p> <p>3 A. Myself, Mr. Patient, and I don't</p> <p>4 remember if there was anybody else. I don't</p> <p>5 remember if Yosef was there.</p> <p>6 Q. How about -- was there a</p> <p>7 representative from the underwriter?</p> <p>8 A. Yes, I just don't recall who.</p> <p>9 Q. Fine. Do you remember any of the</p> <p>10 questions that you asked during that meeting?</p> <p>11 A. Specifically, I don't remember the</p> <p>12 words that I used for the questions, but I do</p> <p>13 remember asking about the company, asking about</p> <p>14 some of its -- the drugs that they were -- that</p> <p>15 they had in their pipeline, and I asked for the</p> <p>16 use of funds, what the funds would be used for.</p> <p>17 Q. Did you ask why Dr. Isa Odidi did</p> <p>18 not attend the meeting?</p> <p>19 A. Yes.</p> <p>20 Q. Were you told why?</p> <p>21 A. They had said he was traveling --</p> <p>22 not they, Andrew -- that he was traveling.</p> <p>23 Q. And were you upset that Dr. Odidi</p> <p>24 didn't attend the meeting?</p> <p>25 MR. HOFFNER: Objection.</p>
<p style="text-align: right;">Page 64</p> <p>1 A. KLUGER</p> <p>2 A. I don't remember.</p> <p>3 Q. Would you have asked more detailed</p> <p>4 questions if Dr. Odidi had attended the</p> <p>5 meeting?</p> <p>6 MR. HOFFNER: Objection.</p> <p>7 A. Ask more detailed questions? I</p> <p>8 would have --</p> <p>9 MR. HOFFNER: It's a hypothetical.</p> <p>10 If you can answer that, go ahead.</p> <p>11 A. I don't know. I have no idea.</p> <p>12 Q. Yeah, okay. Fine.</p> <p>13 And you said the meeting went about</p> <p>14 an hour?</p> <p>15 A. I don't remember exactly, but yeah,</p> <p>16 approximately.</p> <p>17 Q. And after that meeting -- well --</p> <p>18 strike that.</p> <p>19 Before the meeting, had you decided</p> <p>20 that if the meeting went well, you would</p> <p>21 recommend the purchase of the securities in the</p> <p>22 offering?</p> <p>23 A. I don't remember.</p> <p>24 Q. What were your impressions after the</p> <p>25 meeting, if you recall?</p>	<p style="text-align: right;">Page 65</p> <p>1 A. KLUGER</p> <p>2 A. I don't recall.</p> <p>3 MR. FITZGERALD: Chloe, can you pull</p> <p>4 up Tab 14. I don't know what you have that</p> <p>5 marked as. Before you do that, you can</p> <p>6 bring it into the folder, but I want to</p> <p>7 talk a little bit more about Exhibit 9.</p> <p>8 Sorry about that, Mr. Kluger.</p> <p>9 BY MR. FITZGERALD:</p> <p>10 Q. So if you scroll through and you go</p> <p>11 to the fifth slide.</p> <p>12 MR. HOFFNER: Corporate highlights</p> <p>13 at the top?</p> <p>14 BY MR. FITZGERALD:</p> <p>15 Q. Yes, sir. Do you see that,</p> <p>16 Mr. Kluger?</p> <p>17 A. Yeah.</p> <p>18 Q. And then it talks about products in</p> <p>19 the pipeline, right?</p> <p>20 A. Yeah.</p> <p>21 Q. And that was part of your investment</p> <p>22 thesis and recommendation, that the company had</p> <p>23 products in the pipeline, right?</p> <p>24 A. Yes.</p> <p>25 Q. On the next slide, slide 6, did you</p>

<p style="text-align: right;">Page 66</p> <p>1 A. KLUGER</p> <p>2 take into consideration the number of issued</p> <p>3 patents that the company held in your</p> <p>4 investment theses. Was that important to you?</p> <p>5 MR. HOFFNER: Objection.</p> <p>6 A. Yeah.</p> <p>7 Q. What's an ANDA approval, if you</p> <p>8 know?</p> <p>9 A. I'm not sure what the A is.</p> <p>10 Q. Okay.</p> <p>11 What is the NDA approval?</p> <p>12 A. What does it stand for?</p> <p>13 Q. Yeah, sorry. I don't know either?</p> <p>14 A. New drug approval.</p> <p>15 Q. New drug approval. Okay.</p> <p>16 A. It's application. New drug</p> <p>17 application. Sorry. Sorry -- A is probably</p> <p>18 amended, but I don't know.</p> <p>19 Q. So it appears that they had a</p> <p>20 product called oxycodone ER.</p> <p>21 Do you see that; does that refresh</p> <p>22 your recollection as to one of the drugs in the</p> <p>23 pipeline?</p> <p>24 A. Yeah.</p> <p>25 Q. And how about that other drug</p>	<p style="text-align: right;">Page 67</p> <p>1 A. KLUGER</p> <p>2 Regabatin XR.</p> <p>3 Do you see that?</p> <p>4 A. Yeah.</p> <p>5 Q. Do you know what that is?</p> <p>6 A. I don't recall.</p> <p>7 Q. So if you scroll through the slides,</p> <p>8 does it refresh your recollection about</p> <p>9 anything that occurred during the meeting?</p> <p>10 And I'm not asking you to do a detailed review.</p> <p>11 I'm just looking to see if I can jog your</p> <p>12 memory.</p> <p>13 MR. HOFFNER: Objection.</p> <p>14 A. I remember discussing these</p> <p>15 different drugs in the pipeline.</p> <p>16 Q. Okay. That's all I have on that.</p> <p>17 You can put it away. So if we go to the</p> <p>18 document I asked --</p> <p>19 (Kluger Exhibit 16, E-mail to Yosef</p> <p>20 Milgrom dated October 29, 2018, marked for</p> <p>21 identification.)</p> <p>22 MR. HOFFNER: Refresh?</p> <p>23 MR. FITZGERALD: Yes, hit refresh.</p> <p>24 MS. BOOTH: I'm sorry. Which one was</p> <p>25 that again?</p>
<p style="text-align: right;">Page 68</p> <p>1 A. KLUGER</p> <p>2 MR. FITZGERALD: Tab 14.</p> <p>3 MS. BOOTH: Document has been</p> <p>4 uploaded.</p> <p>5 BY MR. FITZGERALD:</p> <p>6 Q. So hit refresh and we're going to</p> <p>7 see what has been previously marked as</p> <p>8 Exhibit 16, which we've marked as Defendant's</p> <p>9 Exhibit 16 for today.</p> <p>10 MR. HOFFNER: Okay. So we're going</p> <p>11 out of order.</p> <p>12 Is it too late to just give an</p> <p>13 exhibit number -- a continuous exhibit</p> <p>14 number?</p> <p>15 MR. FITZGERALD: Yes, sorry. The</p> <p>16 way we had to do this just because we are</p> <p>17 coordinating marking these from other</p> <p>18 places.</p> <p>19 BY MR. FITZGERALD:</p> <p>20 Q. So on October 29, 2018, you wrote --</p> <p>21 well, you sent an e-mail to Mr. Milgrom.</p> <p>22 Do you see that?</p> <p>23 A. Yeah.</p> <p>24 Q. And the subject is: "Who did we</p> <p>25 meet from IPCI?"</p>	<p style="text-align: right;">Page 69</p> <p>1 A. KLUGER</p> <p>2 Do you see that?</p> <p>3 A. Okay.</p> <p>4 Q. Do you see it?</p> <p>5 A. Yeah.</p> <p>6 Q. And you wrote: "Was is Andrew</p> <p>7 Patient."</p> <p>8 Do you see that?</p> <p>9 A. Yes.</p> <p>10 Q. You probably meant to write: Was it</p> <p>11 Andrew Patient, right?</p> <p>12 A. Probably.</p> <p>13 Q. So -- so later in the month you</p> <p>14 couldn't recall specifically who you met with</p> <p>15 from IPCI; is that right?</p> <p>16 A. Not who, but maybe what his name</p> <p>17 was.</p> <p>18 Q. So why did you send this e-mail to</p> <p>19 Mr. Milgrom?</p> <p>20 A. I don't remember.</p> <p>21 Q. So you couldn't remember Andrew</p> <p>22 Patient's name later on?</p> <p>23 MR. HOFFNER: (Inaudible.)</p> <p>24 A. It's possible. I meet CFOs and</p> <p>25 CEOs.</p>

<p style="text-align: right;">Page 74</p> <p>1 A. KLUGER</p> <p>2 In 2018, do you know how many</p> <p>3 positions you recommended purchasing?</p> <p>4 A. No.</p> <p>5 Q. How about in the last year, do you</p> <p>6 know roughly how many positions you've</p> <p>7 recommended purchasing?</p> <p>8 A. In the last year?</p> <p>9 Q. Yeah.</p> <p>10 A. In 2020.</p> <p>11 Q. If that's helpful.</p> <p>12 A. It would be a guess, but I would say</p> <p>13 about ten -- ten or 12.</p> <p>14 Q. Okay. And is that less</p> <p>15 recommendations than you'd normally made in</p> <p>16 years past, or more relative to --</p> <p>17 MR. HOFFNER: Objection.</p> <p>18 A. Every year is different. It's very</p> <p>19 hard to say. Based on market conditions and,</p> <p>20 you know, companies that we see.</p> <p>21 Q. All right.</p> <p>22 MR. FITZGERALD: Chloe, mark Tab 9,</p> <p>23 please.</p> <p>24 (Kluger Exhibit 13, E-mail Chain,</p> <p>25 marked for identification.)</p>	<p style="text-align: right;">Page 75</p> <p>1 A. KLUGER</p> <p>2 MS. BOOTH: The document has been</p> <p>3 uploaded.</p> <p>4 BY MR. FITZGERALD:</p> <p>5 Q. This one is Exhibit 13, again. I'm</p> <p>6 sorry. We're going a little bit out of order.</p> <p>7 This -- feel free to scroll through</p> <p>8 it, but Defendant's Exhibit 13 is an e-mail</p> <p>9 chain. It attaches?</p> <p>10 MR. HOFFNER: I'm sorry, I don't</p> <p>11 have this yet.</p> <p>12 MR. FITZGERALD: Did you refresh?</p> <p>13 MR. HOFFNER: I did.</p> <p>14 THE WITNESS: I have it. It's the</p> <p>15 one before we just did.</p> <p>16 MR. HOFFNER: Oh, okay. I'm sorry.</p> <p>17 Got it.</p> <p>18 BY MR. FITZGERALD:</p> <p>19 Q. Mr. Kluger, this attaches the</p> <p>20 prefunded common share purchase warrant</p> <p>21 agreement relating to the Intellipharmaeuectics</p> <p>22 offering. I'm not going to ask you questions</p> <p>23 about that.</p> <p>24 A. Okay.</p> <p>25 Q. I'm really going to focus on the top</p>
<p style="text-align: right;">Page 76</p> <p>1 A. KLUGER</p> <p>2 e-mail that's from you to Marianna -- Marina?</p> <p>3 A. Marina.</p> <p>4 Q. Marina Portnoy?</p> <p>5 A. Portnoy.</p> <p>6 Q. Who is she?</p> <p>7 A. She works at the office.</p> <p>8 Q. And what's her role, generally?</p> <p>9 A. Assistant, I'd say.</p> <p>10 Q. And on October 12, was the date of</p> <p>11 the offering, right?</p> <p>12 A. I don't remember, but if that's what</p> <p>13 it was.</p> <p>14 Q. Okay. I'm not --</p> <p>15 A. I don't have it written down in</p> <p>16 front of me.</p> <p>17 Q. That's fine.</p> <p>18 The -- you write: "Please put in</p> <p>19 two separate exercises for 250K warrants each?"</p> <p>20 Do you see that?</p> <p>21 A. Yes.</p> <p>22 Q. Let's talk a little bit more about</p> <p>23 the structure of this transaction. When -- you</p> <p>24 acquired units, right, or LH Financial acquired</p> <p>25 them on behalf of Alpha Capital, right?</p>	<p style="text-align: right;">Page 77</p> <p>1 A. KLUGER</p> <p>2 A. Yes, mm-hmm.</p> <p>3 Q. Do you remember how many? And if</p> <p>4 you don't, that's fine. We will look at a</p> <p>5 document later on that will show us how many,</p> <p>6 but do you remember sitting here today how</p> <p>7 many --</p> <p>8 A. I don't remember the exact amount,</p> <p>9 no.</p> <p>10 Q. And what was a unit; do you</p> <p>11 remember?</p> <p>12 A. Looking back now at this document, I</p> <p>13 see that it's a warrant and a prefunded</p> <p>14 warrant.</p> <p>15 MR. HOFFNER: Let me just direct the</p> <p>16 witness. If you're just reading the</p> <p>17 document, you're not testifying, and just</p> <p>18 make clear you're just reading the</p> <p>19 document. He's asking you for your</p> <p>20 independent recollection.</p> <p>21 A. Yeah, so I recollected that it was</p> <p>22 a -- after reading the documents, I recollect</p> <p>23 that there was a prefunded warrant and a</p> <p>24 warrant.</p> <p>25 Q. Right. And what does that mean?</p>

<p style="text-align: right;">Page 78</p> <p>1 A. KLUGER</p> <p>2 A. Since there are a certain amount of</p> <p>3 shares outstanding and an investor can't exceed</p> <p>4 a certain ownership level, they sell something</p> <p>5 called a prefunded warrant which allows you to,</p> <p>6 after the offering is completed, get common</p> <p>7 shares as you exercise them.</p> <p>8 Q. So why can't an investor take a</p> <p>9 position over a certain percentage?</p> <p>10 MR. HOFFNER: Objection.</p> <p>11 A. An investor doesn't want to be</p> <p>12 deemed an insider and over 10 percent would be</p> <p>13 deemed an insider.</p> <p>14 Q. So they were structured so you</p> <p>15 wouldn't be considered a shareholder until you</p> <p>16 exercised a warrant; is that right?</p> <p>17 MR. HOFFNER: Objection.</p> <p>18 A. Yes.</p> <p>19 Q. The holder of the unit had the right</p> <p>20 to exercise that warrant for a price, right?</p> <p>21 A. Yes.</p> <p>22 Q. And that price was one cent for each</p> <p>23 share, correct?</p> <p>24 A. Yes.</p> <p>25 Q. So why was LH, on behalf of Alpha</p>	<p style="text-align: right;">Page 79</p> <p>1 A. KLUGER</p> <p>2 Capital, exercising warrants shortly after it</p> <p>3 acquired the units?</p> <p>4 A. To own shares.</p> <p>5 Q. Okay. And why did LH Financial, on</p> <p>6 behalf of Alpha Capital, want to own shares</p> <p>7 shortly after the offering?</p> <p>8 A. We were purchasing shares in the</p> <p>9 company. That's -- we were purchasing -- not</p> <p>10 we. Alpha Capital was purchasing shares in the</p> <p>11 company and it wanted to have shares in its</p> <p>12 account.</p> <p>13 Q. Did Alpha -- strike that.</p> <p>14 Didn't Alpha sell securities shortly</p> <p>15 after it exercised the warrants?</p> <p>16 MR. HOFFNER: Objection.</p> <p>17 A. I didn't hear the question. Please</p> <p>18 repeat it.</p> <p>19 Q. Sorry. Shortly after Alpha</p> <p>20 exercised these warrants, did Alpha sell the</p> <p>21 shares that it acquired?</p> <p>22 A. I don't recall. It may have.</p> <p>23 Q. Let's look at those sheets that we</p> <p>24 talked about earlier.</p> <p>25 MR. FITZGERALD: Chloe, I think</p>
<p style="text-align: right;">Page 80</p> <p>1 A. KLUGER</p> <p>2 it's Tab 23.</p> <p>3 (Kluger Exhibit 10, Sales Ledger,</p> <p>4 marked for identification.)</p> <p>5 MS. BOOTH: The document has been</p> <p>6 uploaded.</p> <p>7 BY MR. FITZGERALD:</p> <p>8 Q. So if you hit refresh. So it's ten.</p> <p>9 It will be the tenth document in this share</p> <p>10 file.</p> <p>11 A. I see it.</p> <p>12 Q. And it's Exhibit 10 to your</p> <p>13 deposition.</p> <p>14 A. It hasn't loaded yet. One second.</p> <p>15 Q.</p> <p>16 A. Okay. It's loaded.</p> <p>17 Q. Do you recognize this document?</p> <p>18 A. I do.</p> <p>19 Q. And what is it?</p> <p>20 A. It's a ledger which shows certain</p> <p>21 sales of the shares.</p> <p>22 Q. Does it also show purchases?</p> <p>23 A. I don't see any purchases on this</p> <p>24 sheet.</p> <p>25 Q. Do you know who prepared this</p>	<p style="text-align: right;">Page 81</p> <p>1 A. KLUGER</p> <p>2 ledger?</p> <p>3 A. Yes.</p> <p>4 Q. Who prepared it?</p> <p>5 A. Mr. Reinhold.</p> <p>6 Q. I'm sorry, what's Mr. Reinhold's</p> <p>7 first name?</p> <p>8 A. Samuel.</p> <p>9 Q. And is he an employee of LH</p> <p>10 Financial or Alpha Capital? I know you</p> <p>11 mentioned this earlier, but I forgot.</p> <p>12 A. No.</p> <p>13 Q. What's his role?</p> <p>14 A. He does the accounting work.</p> <p>15 Q. Okay. So he's the bookkeeper for LH</p> <p>16 Financial or Alpha Capital?</p> <p>17 A. Yes.</p> <p>18 Q. Both?</p> <p>19 A. Yes.</p> <p>20 Q. So are you prepared to testify on</p> <p>21 behalf of LH Financial as to what this</p> <p>22 document -- what information is in this</p> <p>23 document?</p> <p>24 A. Yes.</p> <p>25 Q. So if we go to the top, it says:</p>

<p>Page 102</p> <p>1 A. KLUGER</p> <p>2 Now, if you look at Exhibit 10,</p> <p>3 where do we see that sale or did we see that</p> <p>4 sale?</p> <p>5 A. I don't see it on Exhibit 10.</p> <p>6 Q. Okay. And I take it you don't know</p> <p>7 why it's not on there or if it should be on</p> <p>8 there?</p> <p>9 A. I'm not sure why it wouldn't be on</p> <p>10 here or if it should be on here.</p> <p>11 Q. Okay. Got it.</p> <p>12 MR. HOFFNER: I just want to point</p> <p>13 out to the witness that the document you're</p> <p>14 referring to is -- is it a document</p> <p>15 exclusively for the offering shares, that's</p> <p>16 what it says, that's the title of the</p> <p>17 document.</p> <p>18 BY MR. FITZGERALD:</p> <p>19 Q. Yes, Exhibit 10 relates to the</p> <p>20 offering shares. So I guess to address your</p> <p>21 counsel's speaking objection, is it possible</p> <p>22 that the securities sold that I've shown you in</p> <p>23 Exhibit 12, the page ending in 736, they could</p> <p>24 be securities that were acquired outside of the</p> <p>25 offering.</p>	<p>Page 103</p> <p>1 A. KLUGER</p> <p>2 A. Yes.</p> <p>3 Q. So let's -- I'm going to circle back</p> <p>4 to that because we have a list of the</p> <p>5 securities acquired outside of the offering and</p> <p>6 we'll see if it's on there, but I want to walk</p> <p>7 through, because I don't want to ask you to</p> <p>8 open up three documents at a time because that</p> <p>9 would be a little unwieldy. So we'll circle</p> <p>10 back to that.</p> <p>11 So going back to Exhibit 12 now,</p> <p>12 which is the brokerage statement.</p> <p>13 A. Okay.</p> <p>14 Q. I'm going to direct you to page --</p> <p>15 the page that ends in 671. And we had some</p> <p>16 sales on 12/5/2018, 12/6/2018, and I guess if</p> <p>17 you look at the page prior to that, there was</p> <p>18 one on 12/4 -- no, there is a purchase on</p> <p>19 12/4/2018.</p> <p>20 Do you see that?</p> <p>21 A. Yeah.</p> <p>22 Q. So the purchase on 12/4/2018 was</p> <p>23 outside of the offering, obviously, right?</p> <p>24 A. Yes.</p> <p>25 Q. While we're on the subject, why did</p>
<p>Page 104</p> <p>1 A. KLUGER</p> <p>2 LH recommend to Alpha in December of 2018 that</p> <p>3 it purchase additional shares or -- yeah,</p> <p>4 shares of Intellipharmaeueutics?</p> <p>5 A. I don't -- I don't recall the -- the</p> <p>6 specific reason why LH would have recommended</p> <p>7 Alpha purchase shares. The only thing I can</p> <p>8 think of is that it may have possibly been to</p> <p>9 average down its cost basis.</p> <p>10 Q. Why?</p> <p>11 A. Why?</p> <p>12 Q. Yeah, why would they want to do</p> <p>13 that?</p> <p>14 MR. HOFFNER: Objection.</p> <p>15 A. To get a better price on the stock.</p> <p>16 Q. How does averaging down the price</p> <p>17 basis get a better price on the stock?</p> <p>18 A. If you purchase stock at a certain</p> <p>19 price and the stock dips below that price, if</p> <p>20 you want to lower your cost basis, you would</p> <p>21 purchase at that lower price thereby bringing</p> <p>22 the average somewhere in between where you</p> <p>23 originally purchased the stock and that lower</p> <p>24 price.</p> <p>25 Q. So in other words, the shares were</p>	<p>Page 105</p> <p>1 A. KLUGER</p> <p>2 valued at an attractive price; is that the</p> <p>3 reason for the purchase?</p> <p>4 MR. HOFFNER: Objection.</p> <p>5 A. It was priced lower.</p> <p>6 Q. Okay. And do you recall when</p> <p>7 Mr. Patient -- strike that.</p> <p>8 Do you recall when the company</p> <p>9 announced that Mr. Patient had resigned?</p> <p>10 A. I don't.</p> <p>11 Q. Do you know if this purchase was</p> <p>12 before or after Mr. Patient resigned?</p> <p>13 A. I don't know. I don't remember.</p> <p>14 Q. Would you have recommended that</p> <p>15 Alpha purchase shares in Intellipharmaeueutics</p> <p>16 if you had known that Mr. Patient resigned?</p> <p>17 MR. HOFFNER: Objection, when?</p> <p>18 When is your question? What time frame are</p> <p>19 we talking about?</p> <p>20 BY MR. FITZGERALD:</p> <p>21 Q. Well, in December 2018, would you</p> <p>22 have recommended that Alpha purchase shares of</p> <p>23 Intellipharmaeueutics if you'd known that</p> <p>24 Mr. Patient was going to resign?</p> <p>25 MR. HOFFNER: Objection.</p>

<p>Page 106</p> <p>1 A. KLUGER</p> <p>2 A. I don't know what the reason is that</p> <p>3 I asked -- I suggested that Alpha purchase the</p> <p>4 shares of the company.</p> <p>5 Q. I'm sorry. I didn't mean to cut</p> <p>6 off. Please finish.</p> <p>7 A. One may not have anything to do with</p> <p>8 the other.</p> <p>9 Q. So you could have recommended that</p> <p>10 Alpha purchase shares of Intellipharmaeutics,</p> <p>11 even if you had known that Mr. Patient was</p> <p>12 going to resign before the end of 2018, in</p> <p>13 December 2018?</p> <p>14 MR. HOFFNER: Objection.</p> <p>15 A. I don't remember what the reason was</p> <p>16 for asking to purchase more shares or</p> <p>17 recommending to purchase more shares.</p> <p>18 Q. So it's not your testimony that you</p> <p>19 would not recommend -- strike that.</p> <p>20 That's too many --</p> <p>21 So sitting here today, you're not</p> <p>22 testifying that you would never recommend that</p> <p>23 Alpha purchase Intellipharmaeutics shares if</p> <p>24 you had known that Mr. Patient was resigning;</p> <p>25 is that right?</p>	<p>Page 107</p> <p>1 A. KLUGER</p> <p>2 MR. HOFFNER: Objection. Objection.</p> <p>3 A. Say that again.</p> <p>4 Q. Sorry, that was a bad question.</p> <p>5 Fair enough.</p> <p>6 So, look, on December 4, 2018,</p> <p>7 Alpha, at LH's recommendation purchased 161,433</p> <p>8 shares of Intellipharmaeutics, right?</p> <p>9 A. Yes.</p> <p>10 Q. And you're not testifying that you</p> <p>11 recommended that purchase because Andrew</p> <p>12 Patient was a good CFO, right?</p> <p>13 MR. HOFFNER: Objection.</p> <p>14 A. I'm testifying that I don't remember</p> <p>15 the reason for me suggesting or recommending</p> <p>16 that Alpha purchase shares in the open market.</p> <p>17 Q. Okay. So it's possible that you</p> <p>18 knew that Mr. Patient was resigning, but you</p> <p>19 recommended that Alpha purchase the shares</p> <p>20 anyway, right?</p> <p>21 MR. HOFFNER: Objection.</p> <p>22 A. I don't remember.</p> <p>23 Q. Okay. See if we can get more</p> <p>24 certain around that.</p> <p>25 So if we look at Exhibit 10, it</p>
<p>Page 108</p> <p>1 A. KLUGER</p> <p>2 shows that on the 18th of December 2019, there</p> <p>3 were 12,247 shares that were sold.</p> <p>4 Do you see that?</p> <p>5 A. On -- say that -- on which date,</p> <p>6 what date? December 19th?</p> <p>7 Q. December 18th --</p> <p>8 A. 18th, yeah.</p> <p>9 Q. -- 2019. Do you see that?</p> <p>10 Exhibit 10 is showing that there were --</p> <p>11 A. 12,000 --</p> <p>12 Q. Yeah, 12,247. And we're not seeing</p> <p>13 that on the brokerage statement.</p> <p>14 MR. HOFFNER: Is that a question?</p> <p>15 BY MR. FITZGERALD:</p> <p>16 Q. Do you see that on the brokerage</p> <p>17 statement?</p> <p>18 A. I would have to look.</p> <p>19 (Document review.)</p> <p>20 A. I don't see it on this exhibit.</p> <p>21 MR. HOFFNER: I will say, it's</p> <p>22 unclear to me -- it could be there is</p> <p>23 possibly a missing page here because I'm --</p> <p>24 I'll certainly inquire, because it does</p> <p>25 seem strange that this document is a</p>	<p>Page 109</p> <p>1 A. KLUGER</p> <p>2 statement through 12/31 stops on 12 --</p> <p>3 shows a final one on 12/6.</p> <p>4 MR. FITZGERALD: It may have just</p> <p>5 been over-redacted. So I think what we did</p> <p>6 is we took out the totally redacted pages</p> <p>7 so there weren't extraneous pages. We will</p> <p>8 have to confirm there wasn't some sort of</p> <p>9 accident there.</p> <p>10 MR. HOFFNER: Again, you have made</p> <p>11 this exhibit. It's unclear to me whether</p> <p>12 this is the full statement for that month.</p> <p>13 Obviously there's some missing pages, which</p> <p>14 is weird, because you've got this -- a</p> <p>15 final page, so you've pulled out pages. So</p> <p>16 this is not -- I have to object to this</p> <p>17 exhibit now because it's missing pages. It</p> <p>18 may be that there was over-redaction like</p> <p>19 you said. It may be that there was a</p> <p>20 nonredacted item that somehow got omitted</p> <p>21 from here. I can't tell because the pages</p> <p>22 weren't here.</p> <p>23 MR. FITZGERALD: Fair enough. We</p> <p>24 will work it out. Our intention -- we</p> <p>25 removed the pages that were fully redacted.</p>

<p>Page 114</p> <p>1 A. KLUGER</p> <p>2 that were acquired in the offering and were</p> <p>3 subsequently sold, right?</p> <p>4 A. Yes.</p> <p>5 Q. And each spreadsheet showed two</p> <p>6 separate sales on February 22, 2019; is that</p> <p>7 right?</p> <p>8 MR. HOFFNER: Objection.</p> <p>9 BY MR. FITZGERALD:</p> <p>10 Q. I'll fix the question.</p> <p>11 Each spreadsheet showed a single</p> <p>12 sale on February 22, 2019, of 119,527 shares,</p> <p>13 right?</p> <p>14 A. Yes.</p> <p>15 Q. So between the two spreadsheets,</p> <p>16 there is a disclosure of two separate sales of</p> <p>17 119,527 shares on February 22, 2019, right?</p> <p>18 MR. HOFFNER: Objection.</p> <p>19 A. Yes.</p> <p>20 Q. And my question is: Do you know why</p> <p>21 the brokerage statement doesn't reflect two</p> <p>22 separate sales?</p> <p>23 A. No, I don't know why.</p> <p>24 MR. FITZGERALD: And I guess I'll</p> <p>25 just put on the record that we'll ask</p>	<p>Page 115</p> <p>1 A. KLUGER</p> <p>2 counsel to look into that, and we'll follow</p> <p>3 up on that.</p> <p>4 MR. HOFFNER: Look, obviously, it's</p> <p>5 possible that there was an error made by</p> <p>6 the accountant.</p> <p>7 THE WITNESS: Yeah.</p> <p>8 MR. FITZGERALD: It's possible,</p> <p>9 right. And we should work that out now</p> <p>10 rather than later.</p> <p>11 BY MR. FITZGERALD:</p> <p>12 Q. While I have you on Exhibit 11, this</p> <p>13 format follows the format of Exhibit 10, right?</p> <p>14 A. Yes.</p> <p>15 Q. So the only -- the format is the</p> <p>16 same, but instead of indicating that shares</p> <p>17 were received or delivered, or warrants were</p> <p>18 received or delivered, this shows that shares</p> <p>19 were bought, right?</p> <p>20 A. Yes.</p> <p>21 Q. And that's because Alpha wasn't</p> <p>22 exercising a warrant related to units acquired</p> <p>23 in the offering, right?</p> <p>24 A. Yes.</p> <p>25 Q. It was just buying shares on the</p>
<p>Page 116</p> <p>1 A. KLUGER</p> <p>2 open market, right?</p> <p>3 A. Yes.</p> <p>4 Q. So this shows that Alpha acquired</p> <p>5 279,618 shares on December 3, 2018, right?</p> <p>6 A. Yes.</p> <p>7 Q. And we talked about your</p> <p>8 recollection of those -- of those shares.</p> <p>9 Now, as LH's corporate</p> <p>10 representative, why did LH recommend that Alpha</p> <p>11 acquire those shares in December 2018?</p> <p>12 MR. HOFFNER: Objection. Asked and</p> <p>13 answered. We just went through this.</p> <p>14 MR. FITZGERALD: No, that was in his</p> <p>15 personal capacity.</p> <p>16 BY MR. FITZGERALD:</p> <p>17 Q. If it's the same as your personal</p> <p>18 capacity say, LH -- as the corporate</p> <p>19 representative I give the same testimony,</p> <p>20 something to that effect?</p> <p>21 A. As to the corporate representative,</p> <p>22 I give the same testimony.</p> <p>23 Q. So as the corporate</p> <p>24 representative -- your testimony wouldn't be</p> <p>25 any different as LH's corporate representative?</p>	<p>Page 117</p> <p>1 A. KLUGER</p> <p>2 A. Yes.</p> <p>3 Q. So it looks like -- I guess we'll do</p> <p>4 this on the record. Mr. Kluger, if you look at</p> <p>5 Tab 12 and the page that ends in 670, if you</p> <p>6 look at the brokerage statement, it indicates</p> <p>7 that 161,433 shares were acquired on</p> <p>8 December 4, 2018, right?</p> <p>9 MR. HOFFNER: What page is that?</p> <p>10 I'm sorry.</p> <p>11 MR. FITZGERALD: Exhibit 12, ends in</p> <p>12 670.</p> <p>13 MR. HOFFNER: 670. Thank you.</p> <p>14 BY MR. FITZGERALD:</p> <p>15 Q. And on the spreadsheet that I gave</p> <p>16 you at Exhibit 11 shows 279,618, right?</p> <p>17 A. No. If you look at the next page</p> <p>18 there was -- it says two more purchases.</p> <p>19 BY MR. FITZGERALD:</p> <p>20 Q. Oh, okay. You're right. Never</p> <p>21 mind. We'll figure that out. That's why I</p> <p>22 asked you. Let me make sure I'm done with</p> <p>23 that. Okay. I am. I'm done with that. We</p> <p>24 can thankfully shut these down.</p> <p>25 I will ask you to go back to 10</p>

<p>Page 126</p> <p>1 A. KLUGER</p> <p>2 Mr. Patient told you about the drugs that</p> <p>3 Intellipharmaeutics was developing?</p> <p>4 MR. HOFFNER: Objection.</p> <p>5 A. Specific to the drugs?</p> <p>6 Q. Yeah.</p> <p>7 A. He described the timelines that --</p> <p>8 the company was going to try to meet in their</p> <p>9 development of the drug.</p> <p>10 Q. Did he give you any technical</p> <p>11 information about how the drugs worked or other</p> <p>12 products in the pipeline for</p> <p>13 Intellipharmaeutics?</p> <p>14 MR. HOFFNER: Other than it was in</p> <p>15 the PowerPoint presentation that he</p> <p>16 previously marked?</p> <p>17 BY MR. FITZGERALD:</p> <p>18 Q. No, just what he -- what you recall</p> <p>19 him telling you, that's all I'm asking.</p> <p>20 A. He went through the presentation,</p> <p>21 explained the different uses for the drugs, the</p> <p>22 timelines involved in bringing the drugs -- you</p> <p>23 know, getting them approved, bringing them to</p> <p>24 market, the uses of funds that were going to be</p> <p>25 necessary to bring them to market, and how he</p>	<p>Page 127</p> <p>1 A. KLUGER</p> <p>2 would aid and assist in getting that done.</p> <p>3 MR. FITZGERALD: Let's show him</p> <p>4 another one, Chloe. Let's go to Tab 18.</p> <p>5 (Kluger Exhibit 19, E-mail to Isa</p> <p>6 Odidi dated November 28, 2018, marked for</p> <p>7 identification.)</p> <p>8 MR. HOFFNER: Is this a good time</p> <p>9 for a five-minute break since we've been</p> <p>10 going about 50 minutes?</p> <p>11 MR. FITZGERALD: Yeah, sure.</p> <p>12 MR. HOFFNER: Reconvene at 1:25?</p> <p>13 MR. FITZGERALD: 1:25 it is.</p> <p>14 (Recess.)</p> <p>15 MR. FITZGERALD: So Chloe, cue up</p> <p>16 Tab 18.</p> <p>17 BY MR. FITZGERALD:</p> <p>18 MR. FITZGERALD: So Exhibit 19 to</p> <p>19 your deposition, Mr. Kluger, is an e-mail</p> <p>20 dated November 28, 2018, that you sent to</p> <p>21 Isa Odidi, CEO of Intellipharmaeutics.</p> <p>22 Do you see that.</p> <p>23 A. No. 19?</p> <p>24 Q. I believe it's No. 19. Let me</p> <p>25 confirm. Yes.</p>
<p>Page 128</p> <p>1 A. KLUGER</p> <p>2 A. Yeah.</p> <p>3 Q. Okay. Do you remember sending this</p> <p>4 e-mail?</p> <p>5 A. Yes.</p> <p>6 Q. Okay. And why did you send this</p> <p>7 e-mail to Dr. Odidi?</p> <p>8 A. Because I believe it was after the</p> <p>9 CFO had resigned and I had some questions</p> <p>10 surrounding that.</p> <p>11 Q. Okay. So you wrote, "I was one of</p> <p>12 the investors in the last deal that was done</p> <p>13 through H.C. Wainwright. I never spoke with</p> <p>14 you but met with the company's former CFO,</p> <p>15 Andrew."</p> <p>16 Right?</p> <p>17 A. Yes.</p> <p>18 Q. So his resignation had been</p> <p>19 announced at this time, right?</p> <p>20 A. Yes.</p> <p>21 Q. And does that refresh your</p> <p>22 recollection as to whether the purchases that</p> <p>23 Alpha Capital made in December 2018 were after</p> <p>24 Mr. Patient resigned?</p> <p>25 A. Yes.</p>	<p>Page 129</p> <p>1 A. KLUGER</p> <p>2 Q. And so you did, in fact, recommend</p> <p>3 that Alpha purchase Intellipharmaeutics shares</p> <p>4 after Andrew Patient resigned from</p> <p>5 Intellipharmaeutics, right?</p> <p>6 A. Yes.</p> <p>7 MR. HOFFNER: Steven, just to</p> <p>8 clarify, I think what -- really what you're</p> <p>9 asking is announce his resignation, because</p> <p>10 as it was announced he was leaving as of</p> <p>11 the year end.</p> <p>12 MR. FITZGERALD: That's not helpful,</p> <p>13 but that's fine.</p> <p>14 MR. HOFFNER: I was just clarifying</p> <p>15 the record.</p> <p>16 BY MR. FITZGERALD:</p> <p>17 Q. So obviously your recommendation --</p> <p>18 strike that.</p> <p>19 Your recommendation to purchase</p> <p>20 Intellipharmaeutics shares wasn't premised on</p> <p>21 Andrew Patient's continuing to be CFO, was it?</p> <p>22 MR. HOFFNER: Objection.</p> <p>23 A. Again, I don't remember what the</p> <p>24 reason was for the purchase of the shares.</p> <p>25 Q. Okay. Do you remember when the</p>

<p>Page 130</p> <p>1 A. KLUGER</p> <p>2 company announced that Mr. Patient would be</p> <p>3 resigning, that they also announced that he</p> <p>4 would be staying on in a consulting capacity?</p> <p>5 A. I vaguely recall that.</p> <p>6 Q. Was that important to you?</p> <p>7 A. No.</p> <p>8 Q. Why not?</p> <p>9 A. Because the essence of that -- of</p> <p>10 that point, of that announcement was that he</p> <p>11 was resigning, not that he was staying on as a</p> <p>12 consultant.</p> <p>13 Q. But you still recommended that Alpha</p> <p>14 purchase Intellipharma shares after you</p> <p>15 knew Patient had resigned, right?</p> <p>16 A. Yes.</p> <p>17 MR. HOFFNER: Objection. Same</p> <p>18 objection as before.</p> <p>19 A. Yes, but one has nothing to do with</p> <p>20 the other, necessarily.</p> <p>21 Q. All right. Do you recall speaking</p> <p>22 to Dr. Odidi after you sent this e-mail on</p> <p>23 November 28, 2018?</p> <p>24 A. Yes.</p> <p>25 Q. When did you speak to him</p>	<p>Page 131</p> <p>1 A. KLUGER</p> <p>2 approximately, relative to this e-mail?</p> <p>3 A. That I don't recall.</p> <p>4 Q. What did you discuss with Dr. Odidi?</p> <p>5 A. I discussed that I was unhappy that</p> <p>6 the CFO resigned so soon after the deal -- the</p> <p>7 offering was made. I wasn't happy that the CFO</p> <p>8 that presented the company was resigning so</p> <p>9 soon after the offering was made, and I wanted</p> <p>10 to know what the company had planned for the</p> <p>11 future.</p> <p>12 Q. And what did he tell you?</p> <p>13 A. He said they were working on finding</p> <p>14 a replacement.</p> <p>15 Q. Anything else?</p> <p>16 A. I don't remember the exact words</p> <p>17 that he used, but he made it clear that he was</p> <p>18 aware that Mr. Patient was leaving at the time</p> <p>19 that the offering transpired.</p> <p>20 Q. And how did he make that clear to</p> <p>21 you?</p> <p>22 A. He said it. I don't remember how --</p> <p>23 what the words he used were, but he said it.</p> <p>24 Q. What word did he say?</p> <p>25 A. I don't remember.</p>
<p>Page 132</p> <p>1 A. KLUGER</p> <p>2 Q. So what you're saying is you left</p> <p>3 the conversation with an impression, but you</p> <p>4 can't tell me what Dr. Odidi said; is that</p> <p>5 right?</p> <p>6 MR. HOFFNER: Objection.</p> <p>7 A. I'm saying that he made it very</p> <p>8 clear that he was aware that at the time of the</p> <p>9 offering he knew that the CFO was leaving, but</p> <p>10 I don't know the exact words he used to tell me</p> <p>11 it.</p> <p>12 Q. I'm not asking for the exact words.</p> <p>13 I'm asking for the best recollection --</p> <p>14 A. The best recollection that I have --</p> <p>15 Q. Let me get a clean question.</p> <p>16 A. Go ahead.</p> <p>17 Q. I'm asking you what your</p> <p>18 recollection is of what he said to you. I'm</p> <p>19 not asking for a verbatim transcript.</p> <p>20 A. So my answer to that is, is that my</p> <p>21 recollection is, is that he was -- he was clear</p> <p>22 that he was knowledgeable that Andrew Patient</p> <p>23 leaving at the time the offering was happening.</p> <p>24 And that he was handling it. He was finding</p> <p>25 somebody else in the meantime to deal with it</p>	<p>Page 133</p> <p>1 A. KLUGER</p> <p>2 now that he announced it.</p> <p>3 Q. So that's the closest you can get to</p> <p>4 a recollection of his -- the conversation you</p> <p>5 had with him -- strike that.</p> <p>6 How did the subject of the timing of</p> <p>7 Dr. Odidi's awareness come up?</p> <p>8 A. He just said it. He just said it</p> <p>9 outright.</p> <p>10 Q. And he said: As of October 12,</p> <p>11 2018, I knew that Andrew Patient had resigned;</p> <p>12 is that what he said?</p> <p>13 A. He didn't say that date. He said,</p> <p>14 "I knew about it before the offering."</p> <p>15 Q. He knew about what?</p> <p>16 A. The fact that Andrew Patient was</p> <p>17 resigning?</p> <p>18 Q. Was going to resign or had resigned?</p> <p>19 A. Was going to resign?</p> <p>20 Q. Did he say when?</p> <p>21 A. He did not say when.</p> <p>22 Q. Did he say that he knew when Andrew</p> <p>23 Patient was going to resign when he had this</p> <p>24 discussion with you?</p> <p>25 A. He said he knew he was resigning at</p>